

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

**04-22**

2. STATE

**Louisiana**

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE  
SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE

**October 21, 2004**

TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

**ACT-1905(a)(2)(C) BBA .97 Section 4712**

7. FEDERAL BUDGET IMPACT:

a. FFY **2005**

**\$981.78**

b. FFY **2006**

**\$969.38**

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

**Attachment 3.1-A, Item 2c, Page 2**

**Attachment 4.19-B, Item 2c, Pages 3, 4**

9. PAGE NUMBER OF THE SUPERSEDED PLAN  
SECTION OR ATTACHMENT (If Applicable):

**Same (TN 96-03)**

**Same (TN 01-02)**

10. SUBJECT OF AMENDMENT: **The purpose of this amendment is to increase FQHC allowable visits and to revise the reimbursement methodology for FQHCs.**

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

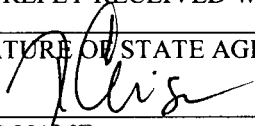
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

**The Governor does not review state plan material.**

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

**Frederick P. Cerise, M.D., M.P.H.**

14. TITLE:

**Secretary**

15. DATE SUBMITTED:

**November 15, 2004**

16. RETURN TO:

**State of Louisiana**

**Department of Health and Hospitals**

**1201 Capitol Access Road**

**PO Box 91030**

**Baton Rouge, LA 70821-9030**

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED: **6 DECEMBER 2004**


18. DATE APPROVED: **10 FEBRUARY 2005**

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

**21 OCTOBER 2004**

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

**ANDREW A. FREDRICKSON**

22. TITLE:

**ASSOCIATE REGIONAL ADMINISTRATOR  
DIV OF MEDICAID & CHILDREN'S HEALTH**

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE OF LOUISIANA

ATTACHMENT 3.1-A  
ITEM 2.c. Page 2

LIMITATION ON THE AMOUNT, DURATION AND SCOPE OF CERTAIN ITEMS OF PROVIDED  
MEDICAL AND REMEDIAL CARE AND SERVICES ARE DESCRIBED AS FOLLOWS:

CITATION      Medical and Remedial  
P.L.101-239      Care and Services  
Section 6404      Item 2.c. (cont'd)

B. Other Ambulatory Services

Services other than Core Services which are covered by Louisiana's Title XIX State Plan, and provided by an FQHC which meets the same standards as other enrolled providers.

- C. Effective for dates of service on or after October 21, 2004, FQHC visits (encounters) are limited to 15 visits per state fiscal year (which include the twelve allowable outpatient physician visits) for services rendered to Medicaid recipients who are twenty-one years of age and older.

II. Standards for Participation

- A. The Federally Qualified Health Centers must meet the following requirements:

1. Receive Public Health Service grant funds under authority of Section 329, 330, or 340 of the Public Health Services Act or be designated by the Secretary of the Department of Health and Human Services as meeting the requirements to receive such a grant;
2. Comply with all federal, state, and local laws and regulations applicable to the services provided;
3. Enroll and be approved for participation in Louisiana's Title XIX program;
4. Sign a written provider agreement with the Bureau of Health Services Financing.

STATE <u>Louisiana</u>	A
DATE REC'D <u>12-6-04</u>	
DATE APP'VD <u>2-10-05</u>	
DATE EFF <u>10-21-04</u>	
HCFA 179 <u>04-22</u>	

96-03

TN# 0422  
Supersedes  
TN# 96-03

Approval Date 2-10-05

Effective Date 10-21-04

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
MEDICAL ASSISTANCE PROGRAM  
STATE OF LOUISIANA

ATTACHMENT 4.19-B  
ITEM 2.c. Page 3

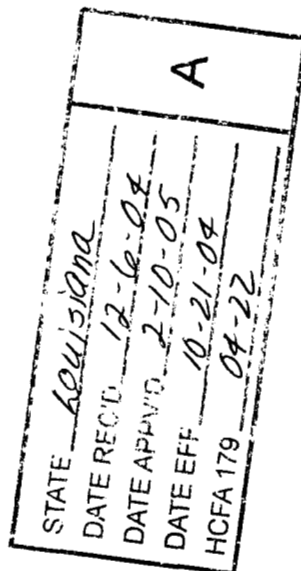
PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

No interim or alternate payment methodologies will be developed by the State without prior notification to each enrolled Medicaid FQHC.

The FQHC is responsible for notifying the Bureau of Health Services Financing, Rate and Audit Review Section, in writing, of any increases or decreases in the scope of services as defined by the Bureau of Primary Health Care (BPHC) Policy Information Notice 2002-07. If the change is for inclusion of an additional service or deletion of an existing service, the FQHC shall include the following in this notification: the approval by BPHC, the current approved organization budget and a budget for the addition or deletion of services. The notice shall also include a presentation of the impact on total visits and Medicaid visits. A new interim rate will be established based upon the reasonable allowable cost contained in the budget information. Then a final PPS rate will be calculated using the first two years of audited cost reports which include the change in services.

If an FQHC receives approval for a satellite site, it must get a new Medicaid number for the satellite site, and the PPS per visit rate paid for the services performed at the satellite will be the weighted average cost payment rate per encounter for all FQHCs.



For an FQHC which enrolls and receives approval to operate on or after January 1, 2001, the facility's initial PPS per visit rate will be determined first through comparison to other FQHCs in the same town/city/parish. Scope of services will be considered in determining which proximate FQHC most closely approximates the new provider. If no FQHCs are available in this proximity, comparison will be made to the nearest FQHC offering the same scope of services. The rate will be set to that of the FQHC comparative to the new provider.

For an FQHC which enrolls and receives approval to operate on or after October 21, 2004, the PPS per visit rate will be the statewide weighted average payment rate per encounter for all FQHCs.

Beginning with Federal fiscal year 2002, the PPS per visit rate for each facility will be increased annually by the percentage increase in the

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TN# 01-02

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01-02

PAYMENT OF MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – OTHER TYPES OF CARE OR SERVICE LISTED IN SECTION 1905(A) OF THE ACT THAT ARE INCLUDED IN THE PROGRAM UNDER THE PLAN ARE DESCRIBED AS FOLLOWS:

published Medicare Economic Index (MEI) for primary care services. The MEI increase will be applied on July 1 of each year.

Effective October 21, 2004, FQHC services furnished to dual eligibles will be reimbursed reasonable cost which is equivalent to the provider specific prospective payment rate.

**II. Standards for Payment**

1. The FQHC must meet the Standards for Participation outlined in Attachment 3.1-A, Item 2.c.
2. The FQHC provider shall maintain an acceptable fiscal record keeping system that will enable the services provided by a FQHC to be readily distinguished from each other type of service which that facility may provide.
3. The FQHC provider shall retain all records as are necessary to disclose fully the extent of services provided to recipients; to furnish information regarding such records and regarding any payments claimed for providing such services as Medicaid of Louisiana, the Secretary, or the Medicaid Fraud Control Unit may request, for five years from date of service.
4. The FQHC provider shall abide by and adhere to all federal and state regulations, guidelines, policies, manuals, etc.

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